

Ministry of Education and Science of Ukraine  
National University of Water and  
Environmental Engineering  
Institute of Economics and Management  
Department of International Economic Relation

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**METHODOLOGICAL RECOMMENDATIONS**  
for training course  
**«Introduction to Specialty»**  
operate in specialty  
**«292 *International Economic Relation*»**  
**which are taught in English for full-time study**

Recommended by the Scientific and  
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### 1. GENERAL PROVISIONS

The educational subject is the theoretical basis of knowledge and skills complex, providing increasing the tangible and intangible assets, helping make informed management decisions based on international business experience, ensuring development of organizations (enterprises) in market conditions.

The target of teaching the subject is to form the system of special knowledge in the issues and prospects of development of International Economic Relations (IER) by future managers for basic and special education and practical activity in the specialty.

**Tasks** of studying the educational subject are:

- understanding the essence of international economic relations, their evolution, factors and levels of development;
- learning the categorical apparatus used for the analysis of processes and phenomena of the modern world economic development;
- forming, deepening and systematizing the knowledge on IER forms, peculiarities of integration processes development and international economic organizations activity;

- forming the ability to analyze creatively the state and trends of international economic relations system, identify the problems and prospects of their development.

After studying the subject a student must:

**Know:**

- the economic essence and basic trends of IER development;

- processes characterizing international level of national economies interaction;

- methodical approaches to assessing the current state and forecasting trends of basic IER forms development;

- culture of modern economic thought. Learning outcomes:
  - to use acquired knowledge for independent analysis of global economic processes and make on this basis right, reasonable and balanced managerial decisions;

- analyze the role and place of a country in the world markets;
- identify volume, dynamics, performance and effectiveness indicators of international trade, investment, monetary and financial relations at various economic levels;

- use empirical and statistical analysis of the international environment state to support the FEA strategies for specific companies;
- use independently methodic of comparative analysis of threats and benefits to domestic enterprises in entering various segments of international trade, financial and currency markets.

Training material of the discipline is structured by modular principle and consists of two classic modules, as following: - module 1 – « General understanding of international economic relations»; module 2 - «The system of organization of international economic relations», each of which is logically completed, relatively independent, integral parts of the curriculum, the mastering of which involves carrying out module tests and analysis of the results of their performance.

## 2. DESCRIPTION OF THE COURSE AND STRUCTURE OF CREDIT

### Description of the course Introduction to Specialty

The name of indicators	Training direction, education level	Characteristics of the discipline
Number of credits – 3,0	Full-time study Specialty 292 «International Economic Relation», which are taught in English  Education degree <b>Bachelor</b>	Normative
Module 1		Year of study: <b>1</b> Semester: <b>1</b>
Content modules 2		
Individual scientific task: <i>no</i>		Lectures – 16 h
Total number of hours: 90		Practical classes – 14 h
Weekly hours for full-time study: classroom – <b>4</b> independent work of the student – <b>6</b>		Laboratory classes - 0 h.
		Independent Work – 60 h
		Individual scientific task – 0 h
		Type of Control tests

### **3. THEMATIC CONTENT OF THE COURSE**

According to the curriculum and the work program, the course «Introduction to Specialty» includes topics combined into two content modules.

#### **Content Module 1. General understanding of international economic relations**

##### **1. International Economic Relations in the System of World Economy**

The World Economy: Basic Characteristics and Structure. International Economic Relations in the System of World Economy.

##### **2. International Trade in International Economic Relations**

Basic Features of Modern International Trade. The Nature of International Trade. The Geographical and Commodity Structures of International Trade. Main Specific Features of International Trade.

##### **3. World Finance in International Economic Relations System**

Characteristics of the World Financial System. World Financial Centers. International Financial Markets.

##### **4. Currency Structure of International Economic Relations**

Currency and Exchange Rates. Currency Relations and the Balance of Payments. The Evolution of the World Monetary System.

#### **Content Module 2. The system of organization of international economic relations**

##### **5. International Factor Movements in International Economic Relations System**

International capital movements. International Labor Migration. International Technology Transfer.

## **6. Integration and Globalization Processes of International Economic Relations**

Integration Processes in the system of World Economy.  
Globalization of Modern International Economic Relations.  
Globalization's Characteristics. Globalization's Components.

### **7. International Economic Institutions**

Targets, Premises and Motives of the Economic Integration Process. Stages of Advancement (Forms) of Economic Integration. Regional Integration Groupings.

### **8. International Economic Law**

Nature of International Economic Law. Law and economic policy: a historical overview. Evolution and principles of international economic law. Fundamental principles of international economic law. The institutional structure of international economic law.

### **Tasks for independent work**

During the independent work, students deepen their knowledge and independently study the material of individual topics by working out relevant literature, preparing for practical classes and credit modules. Independent work reports are not provided. The study of the relevant material is checked during the ongoing and final knowledge control.

№	Titles of issues within general topics	Number of hours
1	The international division of labor	4
2	Tariff and Non-Tariff Methods for International Trade Regulation	4
3	The Place of Offshore Zones in the System of World Financial Centers	4
4	The Features of the Gold Standard and the Gold Exchange Standard	4
5	The Modern Centers of International Labor	3

	Migration	
6	Targets, Premises and Motives of the Economic Integration Process	2
7	Major International Economic Institutions	2
8	Economic relations between traders of different States and economic relations between different States	4
	Total number of hours	27

#### **4. METHODOLOGICAL RECOMMENDATION AND INSTRUCTIONS FOR PRACTICAL TRAINING**

##### **Content Module 1.**

**General understanding of international economic relations**

##### **Practical study 1**

**International Economic Relations in the System of World Economy**

*Number of hours: 1hour.*

**The purpose of the practical study is** introducing students to the basic characteristics and structure of the world economy.

##### **Practical study plan**

1. The World Economy: Basic Characteristics and Structure.
2. International Economic Relations in the System of World Economy.

##### *TESTS*

**1. A global economic system that is based on international and world economic division of labor, internationalization and integration of production and exchange, and operates on the principles of a market economy.**

- a. The world economy



- b. International specialization
- c. International production cooperation
- d. International division of labour
- e. International economic relations

**2. A part of modern economic theory, which studies the relations developing between businesses in the areas of international trade (goods and services), the international movement of factors of production (capital, labor , technology) in international monetary and financial sector as a relatively independent economic phenomena of modern economic relations, which are inherent in the developed mechanisms for monitoring and control.**

- a. The world economy
- b. International specialization
- c. International production cooperation
- d. International division of labour
- e. International economic relations

**3. Spatial division of labor which occurs when the process of production is no longer confined to national economies.**

- a. The world economy
- b. International specialization
- c. International production cooperation
- d. International division of labour
- e. International economic relations

**4. The form of division of labor between the countries in which the increase in the concentration of homogeneous production is based on the progressive differentiation of the national production.**

- a. The world economy

- b. International specialization
- c. International production cooperation
- d. International division of labour
- e. International economic relations

**5. The result of the specialization of national industries, which interact in the international division of labor**

- a. The world economy
- b. International specialization
- c. International production cooperation
- d. International division of labour
- e. International economic relations

**6. The main intrinsic subsystems of the world economy are:**

- a. Technology, economic, legal, socio-cultural.
- b. Technology, innovation, legal, socio-cultural.
- c. Technology, economic, trade, socio-cultural.
- d. Technology, economic, legal, philosophy.
- e. Chemical, economic, legal, socio-cultural.

**7. A set of requirements, imposed by the STR, and which provide competitive in the global market.**

- a. Technological subsystem
- b. Economic subsystem
- c. Legal subsystem
- d. Socio-cultural subsystem
- e. Trade subsystem

**8. A common economic space of free movement of goods and services, capital and labor, and information across the borders of nation-states, and the free interchange of national currencies.**

- a. Technological subsystem
- b. Economic subsystem
- c. Legal subsystem
- d. Socio-cultural subsystem
- e. Trade subsystem

**9. The reduction of the general rules of business law and the norms of business behavior.**

- a. Technological subsystem
- b. Economic subsystem
- c. Legal subsystem
- d. Socio-cultural subsystem
- e. Trade subsystem

**10. This subsystem is formed much more slowly and contradictory than other subsystems of the single world economic space.**

- a. Technological subsystem
- b. Economic subsystem
- c. Legal subsystem
- d. Socio-cultural subsystem
- e. Trade subsystem
- f.

### **Discussion Questions:**

1. What is the subject matter of International Economic Relations in the main?
2. Describe the structure of world economic space.
3. Describe the concept of the international economic relations system
4. What is the structure of the international economic relations system?
5. What does mean the multidimensionality of the world economic system?

## **Practical study 2**

### **International Trade in International Economic Relations**

*Number of hours: 1hour.*

**The purpose of the practical study is** introducing students to the basic features of modern international trade, describing fundamental theories of international trade and characterizing the international trade policy

#### **Practical study plan**

- 1. Basic Features of Modern International Trade**
- 2. Fundamental Theories of International Trade Development**
- 3. International Trade Policy**

#### *TESTS*

**1. Trading between residents of different countries, which may be individuals and legal person, firms, TNC (a trans-national corporation), MNC (a multi-national corporation) non-profit organizations and are related to the production, distribution, exchange and consumption – is**

- a. International trade
- b. International economic relations
- c. International globalization
- d. International division of labour
- e. International specialization

**2. International trade is a characteristic feature of the existence of the global market, which is the realm of commodity-money relations between the two countries and is based on the international division of labor and other factors of production**

- a. International trade
- b. International economic relations

- c. International globalization
- d. International division of labour
- e. International specialization

**3. The distribution of trade flows between separate countries and their groups, created according to territorial or organizational criterion is**

- a. International economic relations
- b. International globalization
- c. Geographic structure of international trade
- d. International trade
- e. Integration

**4. \_\_\_\_\_ generalizes information about international trade scale of countries belonging to the same part of world or extended country group (developed countries, developing countries, countries in transition).**

- a. International economic relations
- b. International globalization
- c. Territorial geographic structure of international trade
- d. International trade
- e. Integration

**5. Organizational geographic structure generalizes data concerning international trade between both countries belonging to international trade and political unions and countries, which are separated in defined groups by the chosen criterion (oil-exporting countries, debtor countries etc.).**

- a. International economic relations
- b. International globalization
- c. Territorial geographic structure of international trade
- d. International trade

e. Integration

**6. \_\_\_\_\_ was formed under the influence of world economic division of labor and scientific and technical revolution development**

a. International economic relations

b. International globalization

c. Territorial geographic structure of international trade

d. International trade

e. Integration

**7. Main Specific Features of International Trade are:**

a. Government regulation of the international trade, independent national economic policy, social and cultural differences of countries, financial and commercial risks

b. Government regulation of the international trade, independent national economic policy, economic differences of countries, financial and commercial risks

c. Government regulation of the international trade, independent national economic policy, social and cultural differences of countries

d. Independent national economic policy, social and cultural differences of countries, financial and commercial risks

e. Government regulation of the international trade, social and cultural differences of countries, financial and commercial risks

**8. Emergence of the world market; unevenness of development of individual industries in different countries; tendency to unlimited expansion of the production, tendency to get higher income in connection with the usage of low-paid manpower and raw materials from developing countries – these are:**

- a. Factors predetermining the necessity of international trade
  - b. Principles of international trade
  - c. Main tendency of international trade
  - d. Advantages of international trade
  - e. Disadvantages of international trade
9. How many types of trade policy characterize the measure of state intervention into international trade there are?
- a. 2
  - b. 3
  - c. 4
  - d. 5
  - e. 6
10. **The minimum of state interference in foreign trade, which developed on the basis of free market forces of supply and demand is**
- a. Free trade policy
  - b. Protectionism
  - c. Geographic structure of international trade
  - d. International trade
  - e. International specialization

### **Discussion Questions:**

1. What does mean international trade? Why is international trade important in today's economy?
2. Describe the main Specific Features of International Trade.
3. What commercial risks, connected with possibilities of non-receipt of profits or a loss occurrence during trade operations realization, can appear?
4. What factors predetermining the necessity of international trade do you know?
5. What are the main goals of foreign trade policy?

6. Describe the International Trade of your country.

### **Practical study 3**

#### **World Finance in International Economic Relations System**

*Number of hours: 2hours.*

**The purpose of the practical study** is analyzing the current world finance in the system of international economic relations.

#### **Practical study plan**

1. Characteristics of the World Financial System
2. World Financial Centers
3. International Financial Markets

#### *TEST*

**1. The process of alignment of financial services, banking transactions, liberalization of customs procedures, harmonization of coordination system through the international financial and credit institutions, the electronic system of payment means; movement towards the global monetary system with the common world money is**

- a. financial integration
- b. International financial integration
- c. Globalization
- d. International division of labour
- e. International specialization

**2. The greatest progress in financial integration has reached**

- a. The European Union
- b. The USA
- c. The Asian region
- d. African countries
- e. SIC



**3. \_\_\_\_\_ is characterized by the development of financial innovation, that is, the creation of new financial instruments**

- a. Globalization of financial markets
- b. International economic relations
- c. International globalization
- d. International division of labour
- e. International financial flows

**4. The most influential world financial centers are**

- a. **London, New York, Tokyo**
- b. **New-York, Peking, Deli**
- c. London, Kyiv, Moscow
- d. Tokyo, Deli, Ankara
- e. London, Tokyo, Peking

**5. A financial center of Europe is**

- a. Paris
- b. London
- c. Kyiv
- d. Berlin
- e. Warsaw

**6. This country is the large foreign exchange market thanks to a big daily turn of foreign currency, especially in transactions yen/dollar**

- a. Tokyo
- b. Peking
- c. New Delphi
- d. Ankara
- e. New York

**7. The foreign exchange market consists of great number of national currency markets, which in one or another degree are incorporated in the world system with**

- a. three levels
- b. two levels
- c. four levels
- d. five levels
- e. six levels

**8. The transactions in one national market, when a bank-dealer directly cooperates with clients belong to the**

- a. 1st level: the retail trading
- b. 2nd level: wholesale interbank trade
- c. 3rd level: the international trade
- d. 4th level
- e. 5th level

**9. The transactions in one national market, when two bank-dealers cooperate through mediation of currency broker belong to the**

- a. 1st level: the retail trading
- b. 2nd level: wholesale interbank trade
- c. 3rd level: the international trade
- d. 4th level
- e. 5th level

**10. Difference between bank and dealer buying rates and selling rates is**

- a. Bank and dealer buying rates
- b. selling rates
- c. current (spot) rates
- d. absolute spread
- e. relative spread

### **Discussion Questions:**

1. Give the characteristics of the world financial system.
2. Describe the international financial flows.
3. Describe the structure and the components connection of the world financial market.
4. What are the main components of the world financial system?
5. What main world financial centers do you know? What is their specificity?
6. Describe the place of offshore zones in the system of world financial centers.

### **Practical study 4**

#### **Currency Structure of International Economic Relations**

*Number of hours: 2hours.*

**The purpose of the practical study** is describing the currency and exchange rates, currency relations and the balance of payments.

#### **Practical study plan**

1. Currency and Exchange Rates
2. Currency Relations and the Balance of Payments
3. The Evolution of the World Monetary System

#### *TEST*

**1. Any product that is able to act as a medium of exchange in international payments is**

- a. Currency
- b. National currency
- c. Foreign currency
- d. International (regional) currency
- e. Reserve currency

**2. The statutory means of payment of the country: the currency notes in the form of banknotes, bills and coins**

**or other forms that circulate and are legal means of payment in the country, as well as payment documents and other securities (stocks, bonds, coupons for them, bills of credit (transfer note), loan notes, letters of credit, checks, bank orders, certificates of deposit, savings books and other financial and banking documents), denominated in the currency of that country**

- a. Currency
- b. National currency
- c. Foreign currency
- d. International (regional) currency
- e. Reserve currency

**3. The currency notes of foreign countries, credit and payment instruments, denominated in foreign currency units and used in international payments**

- a. Currency
- b. National currency
- c. Foreign currency
- d. International (regional) currency
- e. Reserve currency

**4. An international or regional monetary unit of account, means of payment and reserves**

- a. Currency
- b. National currency
- c. Foreign currency
- d. International (regional) currency
- e. Reserve currency

**5. The foreign currency, in which the central banks of other countries accumulate and store reserves for**

**international payments on foreign trade transaction and foreign investment.**

- a. Currency
- b. National currency
- c. Foreign currency
- d. International (regional) currency
- e. Reserve currency

**6. In relation to other currencies distinguish**

- a. Strong and weak currency
- b. fully convertible currency, partially convertible currency and non-convertible currencies
- c. cash and cashless
- d. the "basket" and the usual type currency
- e. the "basket" and cash

**7. Under the usage mode distinguish**

- a. Strong and weak currency
- b. fully convertible currency, partially convertible currency and non-convertible currencies
- c. cash and cashless
- d. the "basket" and the usual type currency
- e. hard and soft currency

**8. On material form, the currency can be**

- a. Strong and weak currency
- b. fully convertible currency, partially convertible currency and non-convertible currencies
- c. cash and cashless
- d. the "basket" and the usual type currency
- e. hard and soft currency

**9. It is calculated as the ratio between the national currency and the currencies of other countries, weighted**

**with accordance to the share of these countries in the currency operations of this country**

- a. The nominal exchange rate
- b. The real exchange rate
- c. The nominal effective exchange rate
- d. The real effective exchange rate
- e. The rate

**10. The real effective exchange rate is represented by the formula:**

a. 
$$S_r^e = \sum_i (P_r^s \times W_i)$$

b. 
$$S_n^e = \sum_i (P_n^s \times W_i)$$

c. 
$$S_r = S_n \frac{P^1}{P}$$

d. 
$$W_i = \frac{X_i + IM_i}{X_{total} + IM_{total}}$$

e. 
$$P_r^s = \frac{S_{r_1}}{S_{r_0}}$$

### **Discussion Questions:**

1. The Essence of Currency and Exchange Rates
2. The Calculating Types of Exchange Rates
3. Types of Exchange Rates According to the Degree of Flexibility
4. The Demand and Supply for the Foreign Currency
5. The Forecast of the Exchange Rate
6. The Features of the Gold Standard and the Gold Exchange Standard

**Content Module 2.**  
**The system of organization of international economic relations**

**Practical study 5**  
**International Factor Movements in International Economic Relations System**

*Number of hours: 2 hours.*

**The purpose of the practical study is** introducing students to the basic characteristics of the international factor movements in international relations system

**Practical study plan**

1. International Capital Movements.
2. International Labor Migration.
3. International Technology Transfer

*TESTS*

**1. The mobility of labor from one country to another for a period more than one year**

- a. International loan capital flows
- b. international crediting
- c. External debt
- d. International labor migration
- e. Debt restructuring

**2. A departure of labor from one country to another**

- a. Emigration
- b. Immigration
- c. Remigration
- d. time migration
- e. permanent migration

**3. The entrance of labor to the receiving country**

- a. Emigration
- b. Immigration
- c. Remigration
- d. time migration
- e. permanent migration

**4. The return of the labor to the country of emigration**

- a. Emigration
- b. Immigration
- c. Remigration
- d. time migration
- e. permanent migration

**5. This form of migration prevailed over others before World War I and is characterized by the fact that lots of people were left their countries for the permanent residence in the USA, Canada, Australia for ever**

- a. Emigration
- b. Immigration
- c. Remigration
- d. time migration
- e. permanent migration

**6. How many stages of development of the international migration there are?**

- a. 2
- b. 3
- c. 4
- d. 5
- e. 6

**7. Funds of private firms, banks and other non-state organizations, which are provided in the form of investment, commercial loans, interbank crediting**



- a. Official capita
- b. Private capital
- c. Business capital
- d. Loan capital
- e. Short-term capital

**8. Funds that are directly or indirectly invested in the production for profit earning. It is usually private capital**

- a. Official capita
- b. Private capital
- c. Business capital
- d. Loan capital
- e. Short-term capital

**9. Funds that are provided to a borrower to obtain a given percentage.**

- a. Official capita
- b. Private capital
- c. Business capital
- d. Loan capital
- e. Short-term capital

**10. Capital investment in order to acquire control over the object of allocation of capital**

- a. Private capital
- b. Business capital
- c. Loan capital
- d. Short-term capital
- e. Direct investment

**Discussion Questions:**

- 1. The Main Points and Forms of International Capital
- 2. The Causes of International Labor Migration

3. The Main Stages of International Labor Migration
4. The consequences of International Labor Migration
5. The Essences and Forms of the International Technology Transfer
6. The Role of Licenses in International Trade

### **Practical study 6**

#### **Integration and Globalization Processes of International Economic Relations**

*Number of hours: 2 hours.*

**The purpose of the practical study** is introducing students to the integration and globalization process in the current world.

#### **Practical study plan**

1. Integration processes in the system of world economy.
2. Globalization of modern international economic relations.

#### *TESTS*

**1. A process of convergence, mutual adaptation and gradual integration of national economies.**

- a. International integration
- b. Globalization
- c. International economic relation
- d. Global economy
- e. Financial System

**2. There are \_\_\_\_ institutional forms of regional integrative groupings**

- a. 4
- b. 5
- c. 2
- d. 3
- e. 6

**3. Based on the intergovernmental agreement between participating countries to abolish customs barriers in mutual**

**trade and saving each of national customs tariffs in trade with other countries.**

- a. Customs Union
- b. Free trade zone
- c. Common Market
- d. Economic Union
- e. Full integration

**4. A union of states to implement the policy of collective protection, which provides group coordinated abolition of national customs tariffs, the introduction of a common customs tariff and a single system of non-tariff regulation of trade with third countries.**

- a. Customs Union
- b. Free trade zone
- c. Common Market
- d. Economic Union
- e. Full integration

**5. A form of integration associated with the introduction of the "four freedoms" - freedom of movement of goods, services, capital and labor.**

- a. Customs Union
- b. Free trade zone
- c. Common Market
- d. Economic Union**
- e. Full integration

**6. Requires not only integration in foreign trade and production activities, but also harmonizes economic policy and the introduction of the single currency.**

- a. The Customs Union
- b. Free trade zone
- c. Common Market
- d. Economic Union

e. Full integration

**7. Examples of Free Trade Zone are:**

- a. EFTA (European Free Trade Association)
- b. European Union (EU)
- c. Common Market of the South (MERCOSUR)
- d. North American Free Trade Association (NAFTA)
- e. Andean Community

**8. Examples of Customs Union are:**

- a. EFTA (European Free Trade Association)
- b. European Union (EU)
- c. Common Market of the South (MERCOSUR)
- d. North American Free Trade Association (NAFTA)
- e. Andean Community

**9. Example of Common market is:**

- a. EFTA (European Free Trade Association)
- b. European Union (EU)
- c. Common Market of the South (MERCOSUR)
- d. Caribbean Community (CARICOM)
- e. Andean Community

**10. Example of Economic and Monetary Union is:**

- a. EFTA (European Free Trade Association)
- b. European Union (EU)
- c. Common Market of the South (MERCOSUR)
- d. Caribbean Community (CARICOM)
- e. Andean Community

**Discussion Questions:**

- 1. Notion of international economic integration
- 2. Conditions of the international economic integration
- 3. Targets, premises and motives of the economic integration process

4. Methods and types of the international economic integration
5. Globalization's characteristics
6. Describe globalization's components

### **Practical study 7** **International Economic Institutions**

*Number of hours: 2 hours.*

**The purpose of the practical study is** describing main international economic institutions.

#### **Practical study plan**

1. The essence and characteristics of the International Economic Institutions
2. Regional Economic Institutions

#### *TESTS*

1. **The simplest institutionally form of the international grouping is**
  - a. Customs Union
  - b. Common market
  - c. Full integration
  - d. Free zone
  - e. Economic and monetary union
2. **The higher form of regional grouping is**
  - a. Customs Union
  - b. Common market
  - c. Full integration
  - d. Free zone
  - e. Economic and monetary union
3. **Progress of the customs union theory is tied with J. Viner and his book «The Customs Union Issues» published in**
  - a. 1930
  - b. 1940
  - c. 1950

- d. 1960
- e. 1970
- 4. Rule of four freedoms, containing the free flow of**
  - a. Goods, services, capital and people
  - b. Goods, services, capital and markets
  - c. Goods, markets, capital and people
  - d. Goods, services, markets and people
  - e. Markets, services, capital and people
- 5. Canada, Mexico, and the United States have implemented**
  - a. NAFTA
  - b. MERCOSUR
  - c. APEC
  - d. EU
  - e. ASEAN
- 6. Which of these countries is not a member of the EU?**
  - a. Serbia
  - b. Germany
  - c. Poland
  - d. Latvia
  - e. France
- 7. Year of founding Central Free Trade Association is**
  - a. 1960
  - b. 1992
  - c. 1994
  - d. 1951
  - e. 1978
- 8. Members of Common Market of The South are**
  - a. Bolivia, Ecuador, Peru, Columbia
  - b. Argentina, Brazil, Paraguay, Uruguay
  - c. Guatemala, Honduras, Argentina
  - d. Sweden, Slovenia, Hungary, Italy
  - e. Argentina, Canada, Costa Rica, Barbados
- 9. MERCOSUR was founded in**

- a. 1992
- b. 1993
- c. 1994
- d. 1999
- e. 1991

**10. Andean Community was founded in**

- a. 1960
- b. 1968
- c. 1969
- d. 1987
- e. 1968

**Discussion Questions:**

1. What stages of international economic integration do you know?
2. What is the Free Trade Zone?
3. What is the Custom Union?
4. Describe the Common market as a stage of international economic integration.
5. What is the Custom Common Market?
6. Describe the Economic Union as a stage of international economic integration.

**Practical study 8**

**International Economic Law**

*Number of hours: 2 hours.*

**The purpose of the practical study** is describing main international economic institutions.

**Practical study plan**

1. Law and economic policy: a historical overview
2. The evolution of international economic law
3. Fundamental principles of international economic law

## *TESTS*

- 1. International economic law regulates**
  - a. the international economic order or economic relations among nations
  - b. the politics systems among states
  - c. the environmental system in the world
  - d. the international financial system
  - e. the currency system
- 2. Freedom, sovereign equality, reciprocity, economic sovereignty these are**
  - a. the traditional principles of international law
  - b. the methods of international law
  - c. characteristics of international law
  - d. modern and evolving principles of international law
  - b. factors of international law
- 3. The duty to co-operate, permanent sovereignty over natural resources, preferential treatment for developing countries in general and the least-developed countries in particular these are**
  - a. the traditional principles of international law
  - b. the methods of international law
  - c. characteristics of international law
  - d. modern and evolving principles of international law
  - e. factors of international law
- 4. One of the central elements of the NIEO and CERDS was the**
  - a. economic development of states
  - b. political development of states
  - c. freedom
  - d. reciprocity
  - e. sovereign equality
- 5. The Stockholm Declaration of the United Nations Conference on the Human Environment was accepted in**
  - a. 1978



- b. 1998
- c. 2008
- d. 1972
- b. 2012

**6. What principles of the Stockholm Declaration speak of the need to conserve natural resources?**

- a. 2,3,5
- b. 1,2,3,
- c. 2,3,8
- d. 1,2,9
- e. 2,4,5

**7. What article of the Charter of Economic Rights and Duties of States of 1974 included the following provision furthering the spirit of the Stockholm Declaration?**

- a. 25
- b. 26
- c. 27
- d. 28
- e. 30

**8. What article of Convention provides that states have the sovereign right to exploit their natural resources pursuant to their environmental policies and in accordance with their duty to protect and preserve the marine environment?**

- a. 193
- b. 189
- c. 203
- d. 145
- e. 198

**9. Where does report of the World Commission on Environment and Development (WCED) (popularly known as the 'Brundtland Commission') popularized the phrase 'sustainable development', embodying both states' right to economic development and their**

**obligation to pay particular attention to any degradation of the environment resulting from development activities**

- a. 1985
- b. 2008
- c. 1998
- d. 1997
- e. 2014

**10. Charter of Economic Rights and Duties of States (CERDS) was accept in**

- a. 1974
- b. 1987
- c. 1999
- d. 2000
- e. 1978

**Discussion Questions:**

1. What are the main principles of international economic law?
2. How have those principles evolved over time?
3. To what extent has international environmental law influenced the development of international economic law?
4. Explain the fundamental principles of international economic law
5. Explain the importance of the economic sovereignty of states and the PSNR.

**5. EVALUATION OF STUDENTS` PRACTICAL WORK RESULTS**

The control of students' knowledge and skills is executed by writing tasks, or by computer testing at the Independent Assessment Center of the university. The test of a topic consists of sections, which include 10-20 questions and 5 corresponding options to choose the correct one.

The control of students' work is executed by lecture notes checking; practical classes – by verification of completed tasks and answer the questions.

Assessment of the results of the current work (tasks that are executed in laboratory classes as well as results of students' independent work) is carried out according to the following criteria:

1. Tasks and practical work (in% of the number of points allocated to the task with rounding to the nearest whole number):

0% - the task is not completed;

40% - the task is partially completed but contains significant errors of a methodological or calculated nature;

60% - the task is fully completed, but contains significant mistakes in the calculations or in the methodology;

80% - the task is fully completed on time, however, it contains some minor mistakes (conclusions, design, etc.);

100% - the task is completed correctly, on time and without comments.

Current testing and independent work								Total amount
Content module 1					Content module 2			
T1	T2	T3	T4	T5	T6	T7	T8	100
12	12	12	12	14	12	12	14	

T1, T2, ... T7 – topics of content modules.

### Estimation scale

Learning outcomes are reported on a scale of assessment. Positive grades are given only to students who have completed all types of study work, provided by the work program of the discipline and scored at least 60 points on the results of current and final controls.

Account of all activities The sum of points for all types of educational activities	Estimation according to the national scale
60–100	The course is completed
35–59	The course is not completed, with the possibility of re-passing the course
0–34	The course is not completed, course is required re-learning by the student

## 6. REFERENCES

### Basic

1. An Introduction to International Economic Relations. Edited by Yuriy Kozak, Temur Shengelia. Tbilisi : Publishing House „Universal“, 2014. 224 p.
2. Kozak Y., Sporek T., Zaec M. and other. World Economy and International Economic Relations Training manual. Kiev – Katowice : CUL, 2015. 223 p.
3. International Economics: Theory and Policy by Paul Krugman. Tenth edition. Princeton University. Maurice Obstfeld, University of California, Berkeley. Marc Melitz, Harvard University, 2018
4. The Economics of International Integration by Miroslav N. Jovanovic, 2006. Library of Congress Cataloguing in Publication Data. 897 p.

### Additional

1. International economic law Section A: Evolution and principles of international economic law Revised version – December 2006 S.P. Subedi. 17 p.

2. International Relations Theory by STEPHEN MCGLINCHEY, E-international relations publishing, 2017.

3. International Economics by Managing Editors: Mario Larch, Valerie Mignon, 2018.

4. The International Economy by Peter B. Kenen, 4th Edition, 2000

5. World Economic Situation and Prospects 2020 Mr. Liu Zhenmin, Under-Secretary-General Department of Economic and Social Affairs United Nations, New York, USA, 2020, 236 p.

### **15. Web resources**

1. The official website of World economics association.  
URL: <https://www.worldeconomicsassociation.org/>

2. The official website of American economic association.  
URL: <https://www.aeaweb.org//>

3. The official website of Europe economy association.  
URL: <https://www.eeassoc.org/>

4. The official website of Asian Finance Association.  
URL: <http://www.asian-fa.org/>

5. The official website of African Health Economics and Policy Association. URL: <https://afhea.org/en/>

6. The official website of Australian Law and Economics Association. URL: <https://austlea.org/>

7. The official website of International monetary fund.  
URL: <https://www.imf.org/>